

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
EL PASO DIVISION**

IN RE:	§	CHAPTER 13
	§	
JOSEPH E. HALOW &	§	
LAURA P. HALOW	§	
	§	
DEBTORS	§	CASE NO. 10-31041-LMC

**THE CITY OF EL PASO'S OBJECTION TO  
CONFIRMATION OF DEBTORS' CHAPTER 13 PLAN**

TO THE HONORABLE COURT:

Now comes the City of El Paso and the El Paso Co WID #01 ("Tax Authorities") and files this Objection to Confirmation of Debtors' Chapter 13 Plan dated May 19, 2010, and support thereof would respectfully show the Court as follows:

1. The City of El Paso is the holder of a claim in the amount of \$5,366.96 for year 2006 and estimated year 2010 ad valorem taxes on the Debtors' real property situated in the City of El Paso, El Paso, County, Texas. This claim is secured by liens on the property pursuant to sections 32.01 and 32.05 of the Texas Property Tax Code.
2. The El Paso Co WID #01 is the holder of a claim in the amount of \$269.59 for estimated year 2010 and prior ad valorem taxes on the Debtors' real property situated in the City of El Paso, El Paso, County, Texas. This claim is secured by liens on the property pursuant to sections 32.01 and 32.05 of the Texas Property Tax Code.
3. The Debtors' Chapter 13 Plan does not adequately provide for the claim of the City of El Paso in that the Plan fails to treat the tax debt for tax year 2006 for real property account number R854-999-0000-3700 of the City of El Paso tax claim. Inasmuch as the account is delinquent for 2006 taxes, the City of El Paso requests that the plan treat this account as bifurcated with the 2006 taxes paid in the plan at the rate of twelve percent (12%) per annum and the estimated 2010 taxes to be paid direct outside the plan.
4. The Debtor's Chapter 13 Plan does not adequately provide for the claim of the El Paso Co WID #01 in that the Plan fails to treat the tax debt for estimated year 2010 and prior taxes for real property account number R85499900003700 (00800105) of the El Paso Co WID #01 tax claim. The El Paso Co WID #01 requests that the plan treat this account to be paid in the

plan at the rate of twelve percent (12%) per annum.

5. As an over secured creditor, the Tax Authorities are entitled to interest on their claims from the petition date. U.S. v. Ron Pair Enterprises, 489 U.S. 235 (1989). Bankruptcy Code Section 1325(a)(5)(B)(ii) requires that the payments to secured creditors have a “present value” equal to creditors’ allowed secured claims. The Tax Authorities should be allowed interest from the petition date through the date of final payment at the rate of 12% per annum. See 11 U.S.C. §511.

WHEREFORE, based on the foregoing, the Tax Authorities respectfully request the Court enter an Order denying confirmation of the Debtors’ plan unless and until the Debtors amend their plan to provide for the claim of the City of El Paso in the amount of \$808.47 to be paid through the plan pro-rata with interest at the rate of 12% per annum and the estimated year 2010 direct and the claim of the El Paso Co WID #01 in the amount of \$269.59 to be paid through the plan pro-rata with interest at the rate of 12% per annum and for such other relief to which it is entitled.

Respectfully submitted,

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By: /s/ Don Stecker  
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Attorney for the Tax Authorities

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of *City of El Paso's Objection to Confirmation of Debtors' Chapter 13 Plan* was served this 12th day of July, 2010, by First Class Mail upon the following:

Debtors:

Joseph Halow  
Laura Halow  
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El Paso, TX 79936

/s/ Don Stecker

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